

CITY OF GREAT BEND, KANSAS

Financial Statements With Independent Auditors' Report

For the Year Ended December 31, 2011

CITY OF GREAT BEND, KANSAS
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For the Year Ended December 31, 2011

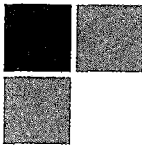
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Financial Statements With Independent Auditors' Report
For the Year Ended December 31, 2011

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Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council
City of Great Bend, Kansas
Great Bend, Kansas

We have audited the accompanying financial statements of **City of Great Bend, Kansas**, as of and for the year ended December 31, 2011, as listed in the table of contents. These financial statements are the responsibility of **City of Great Bend, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described more fully in Note 1, **City of Great Bend, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, whose practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **City of Great Bend, Kansas**, as of December 31, 2011, or the changes in its financial position for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **City of Great Bend, Kansas**, as of December 31, 2011, and their respective cash receipts and disbursements and budgetary results for the year then ended, on the basis of accounting described in Note 1.

Adams, Brown, Beran + Ball, Chtd.

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

September 04, 2012

CITY OF GREAT BEND, KANSAS
Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended December 31, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Fund Categories							
General Fund							
General Fund	\$ 4,996,009	-	11,825,150	11,905,019	4,916,140	282,603	5,198,743
Special Revenue Funds							
Special Parks and Recreation Fund	73,014	-	44,098	29,603	87,509	873	88,382
Special Alcohol Program Fund	13,993	-	42,248	42,248	13,993	-	13,993
Special Liability Expense Fund	221,320	-	264,053	225,353	260,020	155,127	415,147
Library Fund	32,137	-	552,647	547,070	37,714	-	37,714
Convention and Tourism Fund	27,057	-	265,576	232,000	60,633	-	60,633
Cemetery Perpetual Fund	198,555	-	737	-	199,292	-	199,292
Perpetual Care North Cemetery Fund	19,950	-	1,950	-	21,900	-	21,900
Special Street Fund	422,089	-	489,658	616,552	295,195	8,019	303,214
Economic Development Fund	1,841,517	-	399,743	422,151	1,819,109	2,130	1,821,239
Cemetery Improvement Fund	121,865	-	138	4,308	117,695	-	117,695
Sales Tax Infrastructure Fund	986,035	-	837,902	750,000	1,073,937	855,850	1,929,787
Capital Improvements Reserve Fund	3,759,978	-	1,329,282	818,318	4,270,942	12,524	4,283,466
Youth Activities Fund	26,746	-	45,555	47,433	24,868	894	25,762
Aquatic Facility Fund	116,630	-	134,970	150,785	100,815	330	101,145
Tourism Attraction Grant Fund	61,456	-	71	960	60,567	-	60,567
Health Insurance Benefit Fund	231,414	-	9,570	-	240,984	-	240,984
Law Enforcement Grant Fund	41,039	-	33,916	43,278	31,677	-	31,677
Scenic Byways Grant Fund	-	-	197,820	197,820	-	-	-
KDOT Grant Fund	1,054,224	-	418,336	689,382	783,178	-	783,178
River Access Grant Fund	-	-	106,080	15,938	90,142	220	90,362
Debt Service Fund							
Bond and Interest Fund	417,436	-	1,254,687	1,587,324	84,799	-	84,799
Capital Project Funds							
Airport Grant Fund	23,579	-	249,799	79,255	194,123	53,633	247,756
Baseball Complex Fund	1,292,987	-	699,529	1,394,737	597,779	993	598,772
Zoo Development Fund	359,121	-	1,060	89,626	270,555	2,480	273,035
Sewer Line Replacement Fund	690,616	-	1,118,658	1,032,541	776,733	126,285	903,018
Sales Tax Improvement Fund	667,468	-	335,471	352,084	650,855	-	650,855
CDBG ARRA Streets Fund	25,248	-	38,097	63,345	-	-	-
Permanent Fund							
Jason Trester Cemetery Trust Fund	352,647	-	5,879	-	358,526	-	358,526
Proprietary Fund Categories							
Enterprise Funds							
Sewer Disposal Fund	1,458,075	-	1,998,463	2,112,751	1,343,787	50,822	1,394,609
Sewage Treatment Plant Fund	247,474	-	488,613	-	736,087	-	736,087
Water Utility Fund	503,717	-	1,811,947	1,446,918	868,746	33,463	902,209
Water Improvements Fund	411,502	-	54	-	411,556	-	411,556
Airport T-Hanger Rental Fund	117,106	-	56,542	64,060	109,588	6,132	115,720
Airport Self-Fueling Fund	5,370	-	240,050	245,420	-	-	-
Internal Service Fund							
Self Insured Fund	-	-	1,415,835	809,822	606,013	-	606,013
Fiduciary Fund Category							
Private Purpose Trust Fund							
Economic Development Revolving Loan Fund	170,295	-	3,446	57	173,684	-	173,684
Total Primary Government (carried forward)	\$ 20,987,669	-	26,717,630	26,016,158	21,689,141	1,592,378	23,281,519

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended December 31, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Total Primary Government (brought forward)	\$ 20,987,669	-	26,717,630	26,016,158	21,689,141	1,592,378	23,281,519
Component Unit							
Public Library	85,208	-	602,452	587,096	100,564	22,481	123,045
Total Reporting Entity (Excluding Agency Funds)	\$ <u>21,072,877</u>	<u>-</u>	<u>27,320,082</u>	<u>26,603,254</u>	<u>21,789,705</u>	<u>1,614,859</u>	<u>23,404,564</u>
Composition of Cash							
Checking Accounts							\$ 11,460,485
Petty Cash							2,075
Certificates of Deposits							11,835,000
Agency Holding Account							409
Total Primary Government							23,297,969
Total Component Unit							123,045
Agency Funds per Statement 4							(16,450)
Total Reporting Entity (Excluding Agency Funds)							\$ <u>23,404,564</u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Summary of Expenditures - Actual and Budget
For the Year Ended December 31, 2011

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
Governmental Fund Categories					
General Fund					
General Fund	\$ 15,382,000	-	15,382,000	11,905,019	(3,476,981)
Special Revenue Funds					
Special Parks and Recreation Fund	86,000	-	86,000	29,603	(56,397)
Special Alcohol Program Fund	54,000	-	54,000	42,248	(11,752)
Special Liability Expense Fund	332,895	-	332,895	225,353	(107,542)
Library Fund	550,000	-	550,000	547,070	(2,930)
Convention and Tourism Fund	205,000	27,000	232,000	232,000	-
Cemetery Perpetual Fund	93,000	-	93,000	-	(93,000)
Perpetual Care North Cemetery Fund	12,000	-	12,000	-	(12,000)
Special Street Fund	896,000	-	896,000	616,552	(279,448)
Aquatic Facility Fund	185,000	-	185,000	150,785	(34,215)
Debt Service Fund					
Bond and Interest Fund	1,611,000	-	1,611,000	1,587,324	(23,676)
Proprietary Fund Category					
Enterprise Funds					
Sewer Disposal Fund	2,293,000	-	2,293,000	2,112,751	(180,249)
Water Utility Fund	1,609,000	-	1,609,000	1,446,918	(162,082)
Airport T-Hanger Rental Fund	106,000	-	106,000	64,060	(41,940)
Airport Self-Fueling Fund	1,000,000	-	1,000,000	245,420	(754,580)

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 2,480,864	2,661,540	2,931,350	(269,810)
Neighborhood Revitalization	122,335	156,851	82,000	74,851
Delinquent	96,074	141,388	40,932	100,456
Motor Vehicle	489,379	493,809	504,066	(10,257)
Local Alcohol Liquor	65,266	43,925	46,602	(2,677)
County Sales	2,082,543	2,302,163	1,900,000	402,163
City Sales	2,590,064	2,787,538	2,625,000	162,538
Federal Aid	6,571	2,428	-	2,428
State Aid	-	4,704	-	4,704
Other Grant Revenue	11,191	11,191	-	11,191
Ambulance Service	690,554	753,901	664,000	89,901
Airport Income	122,743	135,482	64,000	71,482
Franchise Fees	1,178,695	1,224,515	1,000,000	224,515
Rural Fire Protection	90,833	107,543	107,000	543
Licenses, Fees and Permits	60,925	62,012	65,000	(2,988)
Charges for Services	58,058	59,271	53,000	6,271
Donations	44,696	53,431	37,000	16,431
Police Fines and Charges	335,841	309,143	352,000	(42,857)
Reimbursed Expenses	128,605	162,506	43,000	119,506
Sales of Assets	114,755	21,125	20,000	1,125
Raptor Center Sales	18,548	17,099	25,000	(7,901)
Building Rental	1,537	1,374	7,400	(6,026)
Interest Income	101,320	71,297	150,000	(78,703)
Transfers In	81,000	240,914	181,000	59,914
Total Cash Receipts	\$ 10,972,397	11,825,150	10,898,350	926,800

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
Administrative Finance	\$ 468,339	493,543	511,000	(17,457)
Public Safety				
Police Department	2,024,883	2,138,546	2,324,000	(185,454)
Fire Department	1,814,510	1,879,050	2,053,000	(173,950)
Flood Control	123,850	127,304	192,000	(64,696)
Municipal Court	163,459	164,663	171,000	(6,337)
Engineering	226,854	239,896	265,000	(25,104)
Street Department	470,950	460,735	568,000	(107,265)
Zoo	457,896	507,986	509,000	(1,014)
Park Department	673,583	742,542	772,000	(29,458)
Cemetery	203,801	210,400	252,000	(41,600)
Airport	225,151	226,071	230,000	(3,929)
Other Agencies	304,380	316,344	414,000	(97,656)
Contingencies	137,264	192,655	358,000	(165,345)
Capital Outlay	227,934	306,904	4,234,000	(3,927,096)
Economic Development	-	-	340,000	(340,000)
Employee Benefits	184,564	180,169	282,000	(101,831)
Commission on Aging	130,473	138,802	142,000	(3,198)
Transfers Out	2,877,518	3,409,394	1,590,000	1,819,394
Neighborhood Revitalization Rebate	132,653	170,015	175,000	(4,985)
Total Expenditures	10,848,062	11,905,019	15,382,000	(3,476,981)
Cash Receipts Over (Under) Expenditures	124,335	(79,869)		
Unencumbered Cash - Beginning	4,871,674	4,996,009		
Unencumbered Cash - Ending	\$ 4,996,009	4,916,140		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Special Parks and Recreation Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Cash Receipts				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 34,411	42,248	46,602	(4,354)
Miscellaneous	1,892	1,850	1,398	452
Total Cash Receipts	<u>36,303</u>	<u>44,098</u>	<u>48,000</u>	<u>(3,902)</u>
Expenditures				
Contractual Services	12,529	17,603	58,000	(40,397)
Commodities	11,272	12,000	28,000	(16,000)
Transfers Out	30,000	-	-	-
Total Expenditures	<u>53,801</u>	<u>29,603</u>	<u>86,000</u>	<u>(56,397)</u>
Cash Receipts Over (Under) Expenditures	(17,498)	14,495		
Unencumbered Cash - Beginning	<u>90,512</u>	<u>73,014</u>		
Unencumbered Cash - Ending	\$ <u>73,014</u>	<u>87,509</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Special Alcohol Program Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 34,411	42,248	46,601	(4,353)
Miscellaneous Charges	-	-	399	(399)
Total Cash Receipts	<u>34,411</u>	<u>42,248</u>	<u>47,000</u>	<u>(4,752)</u>
Expenditures				
Miscellaneous	2,000	-	54,000	(54,000)
Transfers Out	<u>44,524</u>	<u>42,248</u>	<u>-</u>	<u>42,248</u>
Total Expenditures	<u>46,524</u>	<u>42,248</u>	<u>54,000</u>	<u>(11,752)</u>
Cash Receipts Over (Under) Expenditures	(12,113)	-		
Unencumbered Cash - Beginning	<u>26,106</u>	<u>13,993</u>		
Unencumbered Cash - Ending	\$ <u>13,993</u>	<u>13,993</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Special Liability Expense Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 199,208	199,764	220,000	(20,236)
Neighborhood Revitalization	9,823	11,773	-	11,773
Delinquent	7,715	10,612	7,528	3,084
Motor Vehicle	53,948	39,904	40,472	(568)
Reimbursed Expenses	-	2,000	-	2,000
Total Cash Receipts	<u>270,694</u>	<u>264,053</u>	<u>268,000</u>	<u>(3,947)</u>
Expenditures				
Personal Services	49,775	51,707	57,000	(5,293)
Contractual Services	153,888	160,885	240,895	(80,010)
Neighborhood Revitalization Rebate	10,652	12,761	35,000	(22,239)
Total Expenditures	<u>214,315</u>	<u>225,353</u>	<u>332,895</u>	<u>(107,542)</u>
Cash Receipts Over (Under) Expenditures	56,379	38,700		
Unencumbered Cash - Beginning	<u>164,941</u>	<u>221,320</u>		
Unencumbered Cash - Ending	\$ <u>221,320</u>	<u>260,020</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Library Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 408,720	423,778	466,752	(42,974)
Neighborhood Revitalization	20,155	24,974	-	24,974
Delinquent	15,828	22,512	7,534	14,978
Motor Vehicle	82,272	81,383	83,052	(1,669)
Total Cash Receipts	526,975	552,647	557,338	(4,691)
Expenditures				
Appropriation to Library	515,000	520,000	520,000	-
Other Expenses	-	-	74	(74)
Neighborhood Revitalization Rebate	21,854	27,070	29,926	(2,856)
Total Expenditures	536,854	547,070	550,000	(2,930)
Cash Receipts Over (Under) Expenditures	(9,879)	5,577		
Unencumbered Cash - Beginning	42,016	32,137		
Unencumbered Cash - Ending	\$ 32,137	37,714		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Convention and Tourism Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 236,845	238,576	205,000	33,576
Reimbursed Expenses	-	27,000	-	27,000
Total Cash Receipts	236,845	265,576	205,000	60,576
Expenditures				
Appropriations	210,000	232,000	205,000	27,000
(a) Adjustment for Qualifying Budget Credit	-	-	27,000	(27,000)
Total Expenditures	210,000	232,000	232,000	-
Cash Receipts Over (Under) Expenditures	26,845	33,576		
Unencumbered Cash - Beginning	212	27,057		
Unencumbered Cash - Ending	\$ 27,057	60,633		
(a) Adjustment for Qualifying Budget Credit				
Reimbursed Expense Over Amount Budgeted			\$ 27,000	

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Cemetery Perpetual Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Sale of Cemetery Lots	\$ 15,262	737	-	737
Expenditures				
Capital Outlay	-	-	93,000	(93,000)
Cash Receipts Over (Under) Expenditures	15,262	737		
Unencumbered Cash - Beginning	183,293	198,555		
Unencumbered Cash - Ending	\$ 198,555	199,292		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Perpetual Care North Cemetery Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Sale of Cemetery Lots	\$ 4,050	1,950	4,000	(2,050)
Expenditures				
Capital Outlay	-	-	12,000	(12,000)
Cash Receipts Over (Under) Expenditures	4,050	1,950		
Unencumbered Cash - Beginning	15,900	19,950		
Unencumbered Cash - Ending	\$ 19,950	21,900		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Special Street Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Gasoline Tax	\$ 419,208	412,940	427,360	(14,420)
State Highway Maintenance	75,510	75,510	75,000	510
Interest Income	1,825	1,208	2,640	(1,432)
Total Cash Receipts	<u>496,543</u>	<u>489,658</u>	<u>505,000</u>	<u>(15,342)</u>
Expenditures				
Personal Services	554,360	616,552	628,000	(11,448)
Capital Outlay	-	-	268,000	(268,000)
Total Expenditures	<u>554,360</u>	<u>616,552</u>	<u>896,000</u>	<u>(279,448)</u>
Cash Receipts Over (Under) Expenditures	(57,817)	(126,894)		
Unencumbered Cash - Beginning	<u>479,906</u>	<u>422,089</u>		
Unencumbered Cash - Ending	\$ <u>422,089</u>	<u>295,195</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Economic Development Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 3,410	2,403
Donations	31,922	12,450
Loan Repayment	12,100	13,200
Transfers In	345,359	371,690
Total Cash Receipts	<u>392,791</u>	<u>399,743</u>
Expenditures		
Jobfest	1,000	1,000
Downtown Theater Incentive	-	500
Employment Recruiting Project	240	240
Enterprise Facilitation	7,310	7,310
Chamber of Commerce	115,000	115,000
Marketing Great Bend	25,855	28,601
MyTown Project	30,000	15,000
Renaissance Faire	1,000	1,000
Community Recruiter	47,125	13,500
Transfers Out	-	240,000
Total Expenditures	<u>227,530</u>	<u>422,151</u>
Cash Receipts Over (Under) Expenditures	165,261	(22,408)
Unencumbered Cash - Beginning	<u>1,676,256</u>	<u>1,841,517</u>
Unencumbered Cash - Ending	<u>\$ 1,841,517</u>	<u>1,819,109</u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Cemetery Improvement Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 235	138
Expenditures		
Capital Outlay	31,334	4,308
Cash Receipts Over (Under) Expenditures	(31,099)	(4,170)
Unencumbered Cash - Beginning	152,964	121,865
Unencumbered Cash - Ending	\$ 121,865	117,695

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Sales Tax Infrastructure Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
State Aid	\$ 1,347	-
Interest Income	1,524	1,599
Transfers In	777,058	836,303
Total Cash Receipts	779,929	837,902
Expenditures		
Capital Outlay	263,620	336,899
Transfers Out	-	413,101
Total Expenditures	263,620	750,000
Cash Receipts Over (Under) Expenditures	516,309	87,902
Unencumbered Cash - Beginning	469,726	986,035
Unencumbered Cash - Ending	\$ 986,035	1,073,937

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Capital Improvements Reserve Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 12,052	5,866
Donations	3,500	45,000
Reimbursed Expenses	7,027	2,101
Transfers In	376,833	1,276,315
Total Cash Receipts	<u>399,412</u>	<u>1,329,282</u>
Expenditures		
Contractual Services	29,787	50,754
Capital Outlay	211,250	310,025
Transfers Out	1,235,000	457,539
Total Expenditures	<u>1,476,037</u>	<u>818,318</u>
Cash Receipts Over (Under) Expenditures	(1,076,625)	510,964
Unencumbered Cash - Beginning	<u>4,836,603</u>	<u>3,759,978</u>
Unencumbered Cash - Ending	<u>\$ 3,759,978</u>	<u>4,270,942</u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
 Youth Activities Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Donations	\$ 3,398	3,281
Interest Income	62	26
Transfers In	44,524	42,248
Total Cash Receipts	47,984	45,555
Expenditures		
Personal Services	27,018	27,981
Youth Activities	34,555	19,452
Total Expenditures	61,573	47,433
Cash Receipts Over (Under) Expenditures	(13,589)	(1,878)
Unencumbered Cash - Beginning	40,335	26,746
Unencumbered Cash - Ending	\$ 26,746	24,868

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Aquatic Facility Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Admissions	\$ 89,841	99,900	94,000	5,900
Concessions	36,916	34,892	35,000	(108)
Interest Income	238	166	-	166
Reimbursed Expenses	-	12	-	12
Transfers In	35,000	-	35,000	(35,000)
Total Cash Receipts	161,995	134,970	164,000	(29,030)
Expenditures				
Personal Services	95,911	98,470	119,000	(20,530)
Contractual Services and Commodities	44,715	52,315	66,000	(13,685)
Total Expenditures	140,626	150,785	185,000	(34,215)
Cash Receipts Over (Under) Expenditures	21,369	(15,815)		
Unencumbered Cash - Beginning	95,261	116,630		
Unencumbered Cash - Ending	\$ 116,630	100,815		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Tourism Attraction Grant Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 120	71
Expenditures		
Tourism Signage	6,426	960
Cash Receipts Over (Under) Expenditures	(6,306)	(889)
Unencumbered Cash - Beginning	67,762	61,456
Unencumbered Cash - Ending	\$ 61,456	60,567

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Health Insurance Benefit Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 157	102
Employee Benefits Surrendered	-	9,468
Total Cash Receipts	157	9,570
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	157	9,570
Unencumbered Cash - Beginning	231,257	231,414
Unencumbered Cash - Ending	\$ 231,414	240,984

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Law Enforcement Grant Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Aid	\$ 56,950	33,916
Expenditures		
Capital Outlay	18,836	43,278
Cash Receipts Over (Under) Expenditures	38,114	(9,362)
Unencumbered Cash - Beginning	2,925	41,039
Unencumbered Cash - Ending	\$ 41,039	31,677

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Scenic Byways Grant Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Aid	\$ -	156,135
Transfers In	-	41,685
Total Cash Receipts	-	197,820
Expenditures		
Capital Outlay	-	197,820
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
KDOT Grant Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts		
State Aid	\$ 347,298	6,000
Interest Income	2,334	1,241
Transfers In	<u>100,000</u>	<u>411,095</u>
Total Cash Receipts	449,632	418,336
Expenditures		
Capital Outlay	<u>244,164</u>	<u>689,382</u>
Cash Receipts Over (Under) Expenditures	205,468	(271,046)
Unencumbered Cash - Beginning	<u>848,756</u>	<u>1,054,224</u>
Unencumbered Cash - Ending	\$ <u><u>1,054,224</u></u>	<u><u>783,178</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
River Access Grant Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
State Aid	\$ -	48,717
Transfers In	-	57,363
Total Cash Receipts	-	106,080
Expenditures		
Capital Outlay	-	15,938
Cash Receipts Over (Under) Expenditures	-	90,142
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	90,142

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Bond and Interest Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 303,310	304,140	335,000	(30,860)
Neighborhood Revitalization	14,957	17,924	-	17,924
Delinquent	11,746	16,157	7,674	8,483
Motor Vehicle	62,506	60,417	61,629	(1,212)
Special Assessments	106,438	105,658	70,000	35,658
Transfers In	745,266	750,391	1,061,000	(310,609)
Total Cash Receipts	<u>1,244,223</u>	<u>1,254,687</u>	<u>1,535,303</u>	<u>(280,616)</u>
Expenditures				
Principal Payments	878,564	1,199,517	1,103,000	96,517
Interest Payments	334,121	324,758	486,521	(161,763)
Commissions and Fees	7,995	9,006	-	9,006
Special Assessment Taxes	34,615	34,615	-	34,615
Neighborhood Revitalization Rebate	16,218	19,428	21,479	(2,051)
Total Expenditures	<u>1,271,513</u>	<u>1,587,324</u>	<u>1,611,000</u>	<u>(23,676)</u>
Cash Receipts Over (Under) Expenditures	(27,290)	(332,637)		
Unencumbered Cash - Beginning	<u>444,726</u>	<u>417,436</u>		
Unencumbered Cash - Ending	\$ <u>417,436</u>	<u>84,799</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Fire Grant Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Aid	\$ 86,544	-
Expenditures		
Capital Outlay	86,544	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Airport Grant Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Aid	\$ 272,056	23,281
State Aid	117,962	1,518
Transfers In	50,000	225,000
Total Cash Receipts	<u>440,018</u>	<u>249,799</u>
Expenditures		
Commodities	-	750
Capital Outlay	509,733	78,505
Total Expenditures	<u>509,733</u>	<u>79,255</u>
Cash Receipts Over (Under) Expenditures	(69,715)	170,544
Unencumbered Cash - Beginning	<u>93,294</u>	<u>23,579</u>
Unencumbered Cash - Ending	<u>\$ 23,579</u>	<u>194,123</u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Baseball Complex Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 3,596	2,529
Donations	200,274	147,000
Transfers In	<u>1,630,000</u>	<u>550,000</u>
Total Cash Receipts	1,833,870	699,529
Expenditures		
Capital Outlay	<u>1,749,757</u>	<u>1,394,737</u>
Cash Receipts Over (Under) Expenditures	84,113	(695,208)
Unencumbered Cash - Beginning	<u>1,208,874</u>	<u>1,292,987</u>
Unencumbered Cash - Ending	\$ <u><u>1,292,987</u></u>	<u><u>597,779</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Zoo Development Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 1,022	495
Reimbursed Expenses	-	565
Total Cash Receipts	1,022	1,060
Expenditures		
Capital Outlay	108,274	89,626
Cash Receipts Over (Under) Expenditures	(107,252)	(88,566)
Unencumbered Cash - Beginning	466,373	359,121
Unencumbered Cash - Ending	\$ 359,121	270,555

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Sewer Line Replacement Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Aid	\$ 392,707	-
Interest Income	321	859
Loan Proceeds	626,653	1,117,799
Transfers In	430,000	-
Total Cash Receipts	1,449,681	1,118,658
Expenditures		
Capital Outlay	957,422	1,032,541
Cash Receipts Over (Under) Expenditures	492,259	86,117
Unencumbered Cash - Beginning	198,357	690,616
Unencumbered Cash - Ending	\$ 690,616	776,733

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Sales Tax Improvement Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 1,310	776
Transfers In	274,002	334,695
Total Cash Receipts	275,312	335,471
Expenditures		
Capital Outlay	367,082	352,084
Cash Receipts Over (Under) Expenditures	(91,770)	(16,613)
Unencumbered Cash - Beginning	759,238	667,468
Unencumbered Cash - Ending	\$ 667,468	650,855

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
CDBG ARRA Streets Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Aid	\$ 326,812	38,097
Transfers In	15,000	-
Total Cash Receipts	<u>341,812</u>	<u>38,097</u>
Expenditures		
Capital Outlay	350,633	35,842
Transfers Out	-	27,503
Total Expenditures	<u>350,633</u>	<u>63,345</u>
Cash Receipts Over (Under) Expenditures	(8,821)	(25,248)
Unencumbered Cash - Beginning	<u>34,069</u>	<u>25,248</u>
Unencumbered Cash - Ending	\$ <u><u>25,248</u></u>	<u><u>-</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Jason Trester Cemetery Trust Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Earnings	\$ 8,442	5,879
Expenditures		
Capital Outlay	3,835	-
Cash Receipts Over (Under) Expenditures	4,607	5,879
Unencumbered Cash - Beginning	348,040	352,647
Unencumbered Cash - Ending	\$ 352,647	358,526

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Sewer Disposal Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Sewer Use Charges	\$ 1,955,964	1,988,640	1,987,000	1,640
Miscellaneous	2,125	4,939	5,500	(561)
Reimbursed Expenses	3,481	2,479	-	2,479
Interest Income	3,880	2,405	5,500	(3,095)
Total Cash Receipts	<u>1,965,450</u>	<u>1,998,463</u>	<u>1,998,000</u>	<u>463</u>
Expenditures				
Personal Services	916,379	799,436	1,005,000	(205,564)
Contractual Services and Commodities	494,717	493,243	625,000	(131,757)
Capital Outlay	7,911	26,072	47,000	(20,928)
Transfers Out	586,000	794,000	616,000	178,000
Total Expenditures	<u>2,005,007</u>	<u>2,112,751</u>	<u>2,293,000</u>	<u>(180,249)</u>
Cash Receipts Over (Under) Expenditures	(39,557)	(114,288)		
Unencumbered Cash - Beginning	<u>1,497,632</u>	<u>1,458,075</u>		
Unencumbered Cash - Ending	\$ <u>1,458,075</u>	<u>1,343,787</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Sewage Treatment Plant Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 904	613
Transfers In	-	488,000
Total Cash Receipts	904	488,613
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	904	488,613
Unencumbered Cash - Beginning	246,570	247,474
Unencumbered Cash - Ending	\$ 247,474	736,087

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Water Utility Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Water Use Charges	\$ 1,710,854	1,803,769	1,670,000	133,769
Miscellaneous	2,185	182	-	182
Interest Income	1,948	1,430	5,000	(3,570)
Reimbursed Expenses	7,957	217	-	217
Rental Income	5,220	6,349	6,000	349
Total Cash Receipts	<u>1,728,164</u>	<u>1,811,947</u>	<u>1,681,000</u>	<u>130,947</u>
Expenditures				
Personal Services	557,407	511,242	608,000	(96,758)
Contractual Services and Commodities	321,405	342,139	410,000	(67,861)
Capital Outlay	2,863	7,474	20,000	(12,526)
Debt Service	839,273	489,063	490,000	(937)
Transfers Out	81,000	97,000	81,000	16,000
Total Expenditures	<u>1,801,948</u>	<u>1,446,918</u>	<u>1,609,000</u>	<u>(162,082)</u>
Cash Receipts Over (Under) Expenditures	(73,784)	365,029		
Unencumbered Cash - Beginning	<u>577,501</u>	<u>503,717</u>		
Unencumbered Cash - Ending	\$ <u>503,717</u>	<u>868,746</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Water Improvements Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest Income	\$ 84	54
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	84	54
Unencumbered Cash - Beginning	411,418	411,502
Unencumbered Cash - Ending	\$ 411,502	411,556

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Airport T-Hanger Rental Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Rental Income	\$ 55,960	56,273	62,000	(5,727)
Oil and Gas Income	22,800	-	-	-
Interest Income	400	269	1,000	(731)
Total Cash Receipts	79,160	56,542	63,000	(6,458)
Expenditures				
Insurance	5,300	5,500	20,000	(14,500)
Building and Equipment Repairs	7,843	8,560	20,000	(11,440)
Capital Outlay	-	-	66,000	(66,000)
Transfers Out	50,000	50,000	-	50,000
Total Expenditures	63,143	64,060	106,000	(41,940)
Cash Receipts Over (Under) Expenditures	16,017	(7,518)		
Unencumbered Cash - Beginning	101,089	117,106		
Unencumbered Cash - Ending	\$ 117,106	109,588		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Airport Self-Fueling Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Cash Receipts				
Fuel Income	\$ 174,436	212,486	1,000,000	(787,514)
Reimbursed Expenses	611	27,564	-	27,564
Total Cash Receipts	175,047	240,050	1,000,000	(759,950)
Expenditures				
Utilities	1,463	654	-	654
Marketing	1,326	150	-	150
Equipment Repairs	3,659	3,412	-	3,412
Fuel	202,416	146,290	1,000,000	(853,710)
Transfers Out	-	94,914	-	94,914
Total Expenditures	208,864	245,420	1,000,000	(754,580)
Cash Receipts Over (Under) Expenditures	(33,817)	(5,370)		
Unencumbered Cash - Beginning	39,187	5,370		
Unencumbered Cash - Ending	\$ 5,370	-		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Self Insured Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Contributions	\$ -	1,415,835
Expenditures		
Insurance - Self Insured	-	809,696
Office Supplies	-	126
Total Expenditures	-	809,822
Cash Receipts Over (Under) Expenditures	-	606,013
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	606,013

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Economic Development Revolving Loan Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts		
Collections	\$ 2,817	2,817
Interest Income	<u>948</u>	<u>629</u>
Total Cash Receipts	3,765	3,446
Expenditures		
Contractual Services	<u>57,341</u>	<u>57</u>
Cash Receipts Over (Under) Expenditures	(53,576)	3,389
Unencumbered Cash - Beginning	<u>223,871</u>	<u>170,295</u>
Unencumbered Cash - Ending	\$ <u><u>170,295</u></u>	<u><u>173,684</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Public Library
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
City Appropriations	\$ 515,000	520,000
Grants	24,741	24,091
Miscellaneous	17,232	17,126
Interest	448	267
Donations	891	653
Reimbursements	55,543	-
Rent	40,149	40,315
Total Cash Receipts	<u>654,004</u>	<u>602,452</u>
Expenditures		
Personal Services	279,196	285,239
Contractual Services	251,280	243,078
Commodities	58,396	53,028
Capital Outlay	74,635	5,751
Total Expenditures	<u>663,507</u>	<u>587,096</u>
Cash Receipts Over (Under) Expenditures	(9,503)	15,356
Unencumbered Cash - Beginning	<u>94,711</u>	<u>85,208</u>
Unencumbered Cash - Ending	<u>\$ 85,208</u>	<u>100,564</u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Agency Funds
Summary of Cash Receipts and Cash Disbursements
For the Year Ended December 31, 2011

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Municipal Court Fund	\$ 14,502	417,586	416,448	15,640
Section 125 Plan	15,939	113,394	128,924	409
Pay It Forward	182	1,620	1,401	401
Total Agency Funds	\$ 30,623	532,600	546,773	16,450

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS
Notes to Financial Statements
December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Great Bend, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Reporting Entity

The City is a municipal corporation governed by an elected nine-member council. These financial statements present the City (primary government) and its component unit. The component unit is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

The component unit section of these financial statements includes the financial data of the following discretely presented component unit. This component unit is reported separately to emphasize that it is legally separate from the City. The governing body of this component unit is appointed by the City.

Great Bend Public Library

The Great Bend Public Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. The Board's members are appointed by the City Council. The City substantially funds the Board's operations by levying tax dollars for the library.

Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

Basis of Presentation - Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of the City for the year ended December 31, 2011.

Governmental Fund Categories

General Fund – to account for all financial resources except those required to be reported in another fund.

Special Revenue Funds – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

Debt Service Fund – to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CITY OF GREAT BEND, KANSAS

Notes to Financial Statements

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Project Funds – to account for financial resources to be used for the acquisition or construction of major capital facilities.

Permanent Fund – to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the purposes that support the City's programs – that is, for the benefit of the City or its citizenry.

Proprietary Fund Categories

Enterprise Funds – to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Fund – to account for activities that provide goods or services to other funds, departments, or agencies of the City and its component units, or to other governments, on a cost-reimbursement basis when the City is the predominant participant in the activity.

Fiduciary Fund Categories

Private Purpose Trust Fund – to account for assets held by the City as trustee or agent for others. The principal and income of these funds may be expended in the course of the fund's designated operations.

Agency Funds – to account for assets held by the City as trustee or agent for others.

Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the statutory basis of accounting.

Departure From Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown non-cash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted

CITY OF GREAT BEND, KANSAS
Notes to Financial Statements
December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

accounting principles. Capital assets that account for the land, buildings, and equipment owned by the City are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, fiduciary funds, permanent funds, and the following special revenue funds: Economic Development Fund, Cemetery Improvement Fund, Sales Tax Infrastructure Fund, Capital Improvements Reserve Fund, Youth Activities Fund, Tourism Attraction Grant Fund, Health Insurance Benefit Fund, Law Enforcement Grant Fund, Scenic Byways Grant Fund, River Access Grant Fund and KDOT Grant Fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

CITY OF GREAT BEND, KANSAS

Notes to Financial Statements

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deposits and Investments

The City follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary of cash receipts, expenditures and unencumbered cash.

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investments of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2011.

At December 31, 2011, the City's carrying amount of deposits was \$23,297,969 and the bank balance was \$23,590,736. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$1,627,169 was covered by federal depository insurance and \$21,838,630 was collateralized with securities held by pledging financial institutions' agents in the City's name. The City was unsecured at December 31, 2011 in the amount of \$124,937.

At December 31, 2011, the Great Bend Public Library's carrying amount of deposits was \$123,045 and the bank balance was \$142,272. The Library's bank balance was held by one bank resulting in a concentration of credit risk. The entire bank balance was covered by federal depository insurance.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2011.

CITY OF GREAT BEND, KANSAS

Notes to Financial Statements

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Vacation

The City's policy regarding vacation for non-24 hour shift full-time employees is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>
0-5	8 hours/month
6-14	10 hours/month
15-24	12 hours/month
25 and over	14 hours/month

The City's policy regarding vacation for 24 hour shift full-time employees is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>
0-5	12 hours/month
6-14	15 hours/month
15-24	18 hours/month
25 and over	21 hours/month

Part-time employees who work at least 20 hours or more per week or 1,040 hours per year shall earn vacation at the rate of 4 hours each month of employment.

Vacation may not be taken until the employee completes one full year of service. The maximum accrual for vacation shall be no more than 240 hours for non-24 hour shift employees and 360 hours for 24 hour shift employees.

The Great Bend Public Library's policy regarding vacation is as follows:

Director - will accrue 22 days the first year and 22 days annually thereafter.

Administration and Professional Staff

- 15 days - 1 year of service
- 20 days - 1 to 10 years of service
- 22 days - 10 years or more of service

Supervisory Personnel

- 10 days - 1 year of service
- 15 days - 1 to 10 years of service
- 20 days - 10 years or more of service

Support Staff

- 5 days - 1 year of service
- 10 days - 1 to 10 years of service
- 15 days - 10 years or more of service

Part-time regular employees accrue a proportionate allowance based on the full-time allowance for their position. Part-time hourly student employees accrue no vacation. Only upon the approval by the Director may vacation be carried over to the next year, and then it is only allowed to accumulate up to five days.

CITY OF GREAT BEND, KANSAS

Notes to Financial Statements

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sick Leave

The City's policy for sick leave permits a non-24 hour shift full-time employee to earn sick leave at the rate of 8 hours per calendar month up to a maximum of 480 hours. Twenty-four hour shift full-time employees shall earn sick leave at a rate of 12 hours per calendar month up to a maximum of 720 hours. For those employees who have attained and maintained a maximum accumulation of sick leave and are terminated in good standing, the City will pay them 25% of their accumulated sick leave at their current rate of pay.

The Library's policy regarding sick leave is that full-time employees shall earn and accrue sick leave at the rate of one day per month, up to a maximum of 100 days, which is forfeited upon termination of the employee. Part-time regular employees are allowed to accrue proportionate sick leave based on number of hours worked in relation to a full-time position.

Included in the accumulated sick leave balance is an amount of the Library system's sick leave pool. The purpose of the sick leave pool is to allow staff members to contribute unused sick leave to a pool and allow participating members, who would otherwise have their pay reduced, draw from the pool to avoid having their pay reduced. The number of sick leave days that can be drawn from the pool by one individual in any one year is limited to 20 percent of the days in the pool or one month, which ever is greater. The number of sick leave days that can be drawn by all individuals is limited to the total days in the pool.

Personal Leave

When an employee reaches and maintains maximum accumulation of sick leave hours, the accrual shall be converted to personal leave. Conversion shall occur at the rate of 2 hours personal leave for each 8 hours of sick leave for non-24 hour shift employees with a maximum accrual of 48 hours and for 24 hour shift employees it shall accrue at the rate of 3 hours of personal leave for each 12 hours of sick leave up to a maximum of 72 hours. The City will pay employees upon approval of the department head and terminating in good standing, 100% of their accumulated personal leave at their current rate of pay.

Injury Leave

Full-time non-24 hour shift employees shall earn injury leave at the rate of 8 hours per calendar month with a maximum accumulation of 480 hours. Twenty-four hour shift employees shall earn 12 hours per calendar month with a maximum accumulation of 720 hours.

Longevity Pay

Each July, the City pays longevity pay to employees who have been employed five years or longer. They are paid \$10.00 for each year of service.

A potential liability for accumulated vacation, sick leave and personal leave is shown on the schedule of long-term debt.

Deferred Compensation Plan

The City sponsors a deferred compensation plan under Internal Revenue Code Section 457. All employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

CITY OF GREAT BEND, KANSAS

Notes to Financial Statements

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Defined Contribution Pension Plan

Plan Description

The City sponsors a defined contribution pension plan, administered by ICMA Retirement Corporation, hereafter referred to as the Plan. The Plan covers all full-time employees. The City and participants are required to contribute 4 1/2% of annual earnings for the Plan year. Earnings are defined as participant's base salary or wages. The following is a vesting schedule for the Plan:

<u>Years of Completed Service</u>	<u>Vesting Percent</u>
0	0%
1	10%
2	20%
3	40%
4	60%
5	80%
6	100%

For the year ended December 31, 2011, the amount of pension expense was \$209,400.

Defined Benefit Pension Plan

Plan Description

Great Bend Public Library contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% and 6% (if hired on or after July 1, 2009) of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established for calendar year 2011 was 7.74% and 14.42% for KPERS retirees. The Library's employer contributions to KPERS for the years ending December 31, 2011, 2010, and 2009 were \$17,350, \$15,736 and \$12,357, respectively, equal to the required contributions for each year as set forth by the legislature.

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City and Library allow retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City and Library are subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City and Library make health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City and Library under this program.

CITY OF GREAT BEND, KANSAS

Notes to Financial Statements

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Tax Calendar

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real estate property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Revenues derived from the operations of the airport are restricted for capital or operating costs of the airport. Also, cash is restricted in the trust funds and agency funds of the City for special purposes.

Reimbursements

The City records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparison, the expenditures (or expenses) are properly offset by the reimbursements.

NOTE 2 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Great Bend, Kansas'** interfund transfers and statutory authority for the year ended December 31, 2011 were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Capital Improvements Reserve Fund	K.S.A 12-1,118	\$ 722,315
General Fund	Airport Grant Fund	Grant Contract	100,000
General Fund	Economic Development Fund	Resolution 090704-A	371,690
General Fund	Baseball Complex Fund	K.S.A 12-1,118	450,000
General Fund	Sales Tax Infrastructure Fund	Resolution 012908-A	836,303
General Fund	Sales Tax Improvement Fund	Resolution 012908-A	334,695
General Fund	Bond and Interest Fund	Resolution 012908-A	594,391
Special Alcohol Program Fund	Youth Activities Fund	Resolution 080812-E	42,248
Sewer Disposal Fund	Bond and Interest Fund	K.S.A. 12-825d	156,000
Sewer Disposal Fund	Sewage Treatment Plant Fund	K.S.A. 10-1204	300,000
Sewer Disposal Fund	General Fund	K.S.A. 12-825d	100,000
Sewer Disposal Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118	238,000
Water Utility Fund	General Fund	K.S.A. 12-825d	81,000
Water Utility Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118	16,000
Airport Self-Service Fueling Fund	Airport Grant Fund	Closed Fund	75,000
Airport Self Service Fueling Fund	General Fund	Closed Fund	19,914
Airport T-Hanger Rental Fund	Airport Grant Fund	Grant Contract	50,000

CITY OF GREAT BEND, KANSAS
Notes to Financial Statements
December 31, 2011

NOTE 2 – INTERFUND TRANSFERS (continued)

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Economic Development Fund	Capital Improvements Reserve Fund	Resolution 082012-F	\$ 200,000
Economic Development Fund	General Fund	Resolution 082012-F	40,000
Capital Improvements Reserve Fund	KDOT Grant Fund	Closed Fund	70,491
Capital Improvements Reserve Fund	River Access Grant Fund	Closed Fund	52,603
Capital Improvements Reserve Fund	Sewage Treatment Plant Fund	K.S.A. 12-1,118	188,000
Capital Improvements Reserve Fund	Scenic Byway Grant Fund	K.S.A. 12-1,118	41,685
Capital Improvements Reserve Fund	Baseball Complex Fund	K.S.A. 12-1,118	100,000
Capital Improvements Reserve Fund	River Access Grant Fund	Closed Fund	4,760
CDBG ARRA Streets Fund	KDOT Grant Fund	Closed Fund	27,503
Sales Tax Infrastructure Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118	100,000
Sales Tax Infrastructure Fund	KDOT Grant Fund	Grant Contract	313,101

NOTE 3 – CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project Authorization</u>	<u>Cash Disbursements and Accounts Payable to Date</u>
Apron Reconstruction	\$ 214,533	\$ 53,633
Aircraft Rescue and Firefighting Building	108,586	-
Concrete Sewer Line Rehab	3,512,222	2,968,723
Ball Field Complex	3,882,969	4,189,006

NOTE 4 – LITIGATION

City of Great Bend, Kansas is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City.

NOTE 5 – RELATED PARTY TRANSACTION

City of Great Bend, Kansas contracted services with Concrete Service Co, Inc., which is the employer for a council member. For the fiscal year ended December 31, 2011, the City expended \$11,234 for concrete.

The City contracted services with Joel B. Jackson, Attorney at Law, who is a council member. For the fiscal year ended December 31, 2011, the City expended \$21,633 for attorney fees.

NOTE 6 – RISK MANAGEMENT

City of Great Bend, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal

CITY OF GREAT BEND, KANSAS

Notes to Financial Statements

December 31, 2011

NOTE 6 – RISK MANAGEMENT (continued)

Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 140 participating members.

The City pays an annual premium to Kansas Municipal Insurance Trust for its workers' compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Insurance Trust will be self-sustaining through member premiums and will reinsure through commercial companies in excess of \$500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Municipal Insurance Trust's management. The City paid \$180,525 in premiums for the year ended December 31, 2011.

The City carries commercial insurance for all other risks of loss, including property, general liability, inland marine, automobile, umbrella, linebacker, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 – GRANTS AND SHARED REVENUES

City of Great Bend, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 8 – COMPARATIVE DATA

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **City of Great Bend, Kansas'** cash and unencumbered cash balances. However, complete comparative data (presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

NOTE 9 – PROMISSORY NOTE

City of Great Bend, Kansas loaned MyTown L.P. \$330,000 on May 28, 2008. The note is secured by a security agreement in all equipment, machinery, accounts receivable, inventory, contract rights, furniture and fixtures or assets subsequently acquired by MyTown L.P. The note is to be paid at 4% interest per year in monthly interest only installments commencing on June 27, 2008 and for 59 months thereafter until the fifth anniversary of the loan date; thereafter, the principal amount of the note (\$330,000) shall be due and payable in 60 monthly installments in the amount of \$6,077, along with any interest accrued on the unpaid amount of principal. The economic purpose of this loan was to assist in bringing businesses to the downtown area. MyTown L.P. is two months behind with its payments as of December 31, 2011. Interest paid in 2011 was \$13,200.

NOTE 10 – SELF-INSURANCE PLANS

Health Care Coverage - During the year ended December 31, 2011, employees of **City of Great Bend, Kansas** were covered by the City's medical self-insurance plan (the "plan"). The City's plan is a paid contract, with all unused reserved fund classified as unencumbered at the fiscal year end. The premium

CITY OF GREAT BEND, KANSAS
Notes to Financial Statements
December 31, 2011

NOTE 10 – SELF-INSURANCE PLANS (continued)

contributed is approximately \$1,079 to \$1,374 per month per employee with family and \$348 to \$443 per month for single coverage depending on the coverage chosen. The City contributes \$1,075 for an employee with family and \$347 for a single employee, with the employee paying the difference through authorized payroll withholdings. Claims were paid by a third party administrator acting on behalf of the City. The administration contract between the City and the third party administration is renewable annually and administration fees are included in the contractual provisions. The City was protected against unanticipated catastrophic individual loss or aggregate loss by stop loss coverage carried through Blue Cross Blue Shield. Stop loss coverage was in effect for individual claims exceeding \$60,000 and for aggregate loss, which is based on a factor determined monthly by Blue Cross Blue Shield. The aggregate stop loss coverage for the year ended 2011 was \$507,186.

Self-Insurance Liability	Beginning of Fiscal Year Balance	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Assets Available To Pay Claims At Year End
2011	\$ -	607,915	537,508	70,407	606,013

NOTE 11 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

City of Great Bend, Kansas did not publish the financial statements for the required four quarters, showing by fund: beginning and ending balances, receipts, and expenditures along with obligation/liability information, which is a violation of K.S.A. 12-1608.

The Municipal Court had outstanding checks over two years old as of December 31, 2011, which is a violation of K.S.A. 10-816.

At year-end, the City had unsecured deposits in the amount of \$124,936 at Farmers Bank and Trust, which is a violation of K.S.A. 9-1402.

The City entered into new contracts throughout the year that did not comply with the nondiscrimination clause, which is a violation of K.S.A. 44-1030.

The City has not been using the unclaimed property program with the State of Kansas for outstanding payroll checks, which is a violation of K.S.A. 58-3934.

NOTE 12 – CONDUIT DEBT

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2011 there was one industrial revenue bond outstanding. The original issue of the bond was \$300,000. The principal amount payable at December 31, 2011 was \$208,563.

CITY OF GREAT BEND, KANSAS
Notes to Financial Statements
December 31, 2011

NOTE 13 – DEBT RESTRICTIONS AND COVENANTS

KDHE Sewer Improvement Loan

City of Great Bend, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund the improvements to the sewer treatment plant in the amount of \$5,461,790. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2011 as it is providing dedicated funds through a combination of sewer rates and fees charged and from a general obligation bond levy.

KDHE Water Improvement Loan

City of Great Bend, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements for a wastewater treatment project not to exceed \$4,600,000. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2011.

NOTE 14 – LONG-TERM DEBT

City of Great Bend, Kansas has the following types of long-term debt.

General Obligation Bonds

On March 15, 2004, the City issued \$5,970,000 in Water System Refunding Bonds - Series 2004 for the purpose of providing funds for the refunding of \$5,865,000 in Water System Revenue, Series 1998 A Bonds.

On August 1, 2005, the City issued \$1,075,000 in Main Traffic Way Improvement Bonds - Series 2005 A for the purpose of providing funds for main traffic way improvements.

On October 15, 2007, the City issued \$1,290,000 in series 2007-A general obligation bonds for the purpose of re-paying temporary notes taken out in 2004.

On August 15, 2008, the City issued \$5,000,000 in Series 2008-A sales tax bonds for the purpose of financing the costs of constructing, reconstructing, and maintaining public streets within the City.

KDHE Revolving Loans

The City entered into a \$5,461,790 revolving loan agreement on April 29, 1997 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance the construction of two activated sludge extended aeration basins. The City will use proceeds generated by the operation of the facility for loan repayment, which began March 1, 1999.

The City entered into a revolving loan agreement not to exceed \$4,600,000 on February 6, 2009 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance a wastewater treatment project. The City will use proceeds generated by the operation of the facility for loan repayment. As of December 31, 2011, the City expects to make future draw downs on this revolving loan and, therefore, the ending loan balance is undeterminable. The amortization schedule used to construct the following long-term debt schedule is based off the full amount of the loan and the City began repayment of the loan in 2011.

CITY OF GREAT BEND, KANSAS
Notes to Financial Statements
December 31, 2011

NOTE 14 - LONG-TERM DEBT (continued)

Changes in long-term liabilities for the City for the year ended December 31, 2011, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds										
Series 2004A - Water System Refunding Bonds	2.00% - 4.00%	03/2004	\$ 5,970,000	2019	\$ 3,700,000	-	(360,000)		3,340,000	129,063
Series 2005A - Main Trafficway Improvement Bonds	3.00% - 4.00%	08/2005	1,075,000	2015	600,000	-	(110,000)		490,000	20,450
Series 2007A - Amber Meadows/Special Projects Bonds	3.50% - 4.00%	10/2007	1,290,000	2023	1,115,000	-	(65,000)		1,050,000	43,268
Series 2008A - Sales Tax Bonds	3.50% - 3.85%	08/2008	5,000,000	2018	4,175,000	-	(445,000)		3,730,000	149,391
KDHE Loans										
Sewer Improvement Loan	3.42%	04/1997	5,461,790	2018	2,696,169	-	(298,455)		2,397,714	83,123
Water Improvement Loan	3.16%	02/2009	4,600,000	2030	911,314	1,117,799	(281,061)		1,748,052	28,527
Total Contractual Indebtedness					13,197,483	1,117,799	(1,559,516)		12,755,766	453,822
Compensated Absences					491,596			49,216	540,812	
Component Unit Compensated Absences					26,527			338	26,865	
Total Long-Term Debt					<u>\$ 13,715,606</u>	<u>1,117,799</u>	<u>(1,559,516)</u>	<u>49,554</u>	<u>13,323,443</u>	<u>453,822</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	2012	2013	2014	YEAR 2015	2016	2017-2021	2022-2026	Total
Principal								
General Obligation Bonds	\$ 1,015,000	1,055,000	1,105,000	1,140,000	1,060,000	3,015,000	220,000	8,610,000
KDHE Loans	567,640	586,535	606,061	626,237	647,086	1,112,207	-	4,145,766
Total Principal	<u>1,582,640</u>	<u>1,641,535</u>	<u>1,711,061</u>	<u>1,766,237</u>	<u>1,707,086</u>	<u>4,127,207</u>	<u>220,000</u>	<u>12,755,766</u>
Interest								
General Obligation Bonds	310,559	276,789	241,259	203,114	162,708	274,854	13,233	1,482,516
KDHE Loans	122,581	105,117	87,070	68,421	49,151	39,192	-	471,532
Total Interest	<u>433,140</u>	<u>381,906</u>	<u>328,329</u>	<u>271,535</u>	<u>211,859</u>	<u>314,046</u>	<u>13,233</u>	<u>1,954,048</u>
Total Principal and Interest	<u>\$ 2,015,780</u>	<u>2,023,441</u>	<u>2,039,390</u>	<u>2,037,772</u>	<u>1,918,945</u>	<u>4,441,253</u>	<u>233,233</u>	<u>14,709,814</u>